



**BPR STEERING COMMITTEE  
BUSINESS OBJECTIVES**

***DRAFT***

***FOR FINAL REVIEW***

**March 31, 2005**  
*First Data Government Solutions*

**VSSS BPR PROJECT BUSINESS OBJECTIVES**

## **Background Information**

First Data Government Solutions (FDGS) consultants facilitated a discussion of project business objectives during the Kickoff Meeting with the BPR Project Steering Committee, interested Stakeholders and selected state and local Project Team Members on March 8, 2005. A second discussion of the BPR Project Steering Committee was scheduled for March 31, 2005 to review the discussion of March 8 and to complete the business objectives setting process. BPR Project team members were present during the March 8 discussion. On March 31, project team members were not present due to “shadowing” workers at local agencies.

The purpose in establishing measurable business objectives at the outset of a BPR project is multi-fold:

1. Provide BPR Steering Committee guidance and direction to the Business Process Reengineering (BPR) Team, thereby circumventing the need for the Team to obtain policy permission and direction each time a reengineering consideration deviates from accepted culture and practice.
2. Establish a vision for future operations that permits analysis of the breadth and depth of the gap between today’s business processes and the desired BPR outcomes.
3. Define and establish areas of critical performance within the organization that currently prevents the Virginia Social Services System (VSSS) from achieving desired results without reengineering.
4. Provide a means of determining at each project milestone whether the project is achieving the definitive results expected.

The FDGS facilitator advised that business objectives should be set for improving organizational performance, at a minimum, in each of the following areas:

- Business Processes
- Performance/Timeliness
- Use of Information/Technology
- Results/Outcomes
- Cost
- Public Perception

Several areas of discussion and exploration were used by the facilitator to assist the BPR Steering Committee in understanding the Business Process Reengineering Project’s potential for improving organizational performance, as well as the Project’s potential impact on the organization.

The Project BPR Steering Committee explored setting measurable and realistic business objectives for the Project. The following VSSS Steering Committee members participated:

Co-Chairs, Goal #3 Committee

Ray C. Goodwin, VSSS, Commissioner's Office  
Gordon Ragland, Director, Henrico Department of Social Services

Co-Project Managers, BPR

Buzz Cox, Director, Charlottesville Department of Social Services  
Dottie Wells, VSSS Division of Child Care

BPR Steering Committee Members

Kelly Calder, Department of Medical Assistance Services  
Morris Campbell, Systems Manager, Norfolk Department of Human Services  
Victoria Collins, Director, Radford Department of Social Services  
Jane Conroy, VA Association of Community Action Programs  
Jack Frazier, Acting Director, VDSS Division of Quality Management  
Carolyn Gregory-Adams, Eligibility Supervisor, Greenville/Emporia DSS  
Vickie Johnson-Scott, Director, VDSS Division of Family Service  
Carol Keil, Child Care Administrator, Fairfax Department of Social Services  
Ron King, Director, Warren Department of Social Services  
Steve Lewis, Director, Henrico Department of Information Technology  
David Mitchell, Chief Financial Officer, VDSS Division of Finance  
David Mix, Department of Medical Assistance Services  
Libby Mounts, Director of Information Technology, City of Richmond  
Dana Paige, Director, Fairfax Department of Family Services  
Debbie Secor, HHR Enterprise Services Director, VITA  
Duke Storen, Director, VDSS Division of Benefit Programs  
Harry Sutton, Director, VDSS Division of Information Systems  
Patty Taylor, Department of Medical Assistance Services  
Joseph S. Crane, Assistant Director on behalf of Member, Nick Young, Deputy Commissioner, VDSS Division of Child Support Enforcement

BPR Project Team Members

Nneka Coley, Medicaid Specialist, Albemarle County, UVA Medicaid  
Bobbi Hossanian, VIEW Supervisor, Fairfax County, VIEW, TANF, Medicaid, Food Stamps, Bridges Grant  
Nancy Jackson, Benefit Payment Systems Trainer, Charlottesville, All Eligibility Programs  
Sally McCarthy, Executive Assistant, Pulaski County, CSA/Fraud/Foster Care  
Jennifer Murray, Business Operations Manager, VDSS Division of Benefit Programs  
Kathy Neff, Supervisor, Foster Care and Adult Protective Services, Shenandoah County, Foster Care, Adult Services/Adult Protective Services  
Lynn Parker, Social Worker, Children's Protective Service, Norfolk  
Jo Ann Simmons, Analyst, VDSS Foster Care and Adoptions  
Kim Tapscott, Social Worker, Buckingham County, Children's Protective Services-Ongoing Prevention, Adult Services  
Delores Veal, Financial Services Supervisor, Newport News, Medicaid/Food Stamps  
George Frazier, Benefit Programs Supervisor, City of Richmond Medicaid/Food Stamp

FDGS Consulting Staff

Cheryl Baxter, Project Manager

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Rita Kidd, Lead Facilitator  
Gary Harlow, Business Analyst  
Wayne Jones, Business Analyst  
Jonathon Mills, Financial Analyst  
John Plewa, Business Analyst  
Tim Thomas, Technical Analyst

To assure the BPR Steering Committee has a solid understanding about the role of the business process reengineering effort, the facilitator described what BPR is and is not. BPR does focus on work and information processes, not program administration or technology design and implementation. The focus of the BPR Team will be to review and eliminate activities, tasks, and steps that preclude VSSS from achieving the organization's desired end result in today's business environment. The BPR Team will recommend a new business model supported by business processes that address the prescribed business objectives.

The facilitator's methodology used questions posed to the BPR Steering Committee and facilitation of the discussion that ensued from each question. It was explained that the business objectives would define the boundaries within which the BPR Team will work. As reengineering is transformational in nature, the business objectives will establish just how much change is desired. The BPR Steering Committee established draft business objectives in six recommended areas.

Questions and key discussion points are documented in the following paragraphs.

**Does the Virginia state and local social services delivery system provide optimum public service today?**

In spite of good people at both local and state levels who work very hard to provide the best public service possible, VSSS is unable to provide an optimum level of public service due to the constraints of traditional business methods and outdated technology tools.

**How does the Virginia social services delivery system see itself? Why is reengineering necessary? What are the problems?**

The Virginia social services delivery system (inclusive of local and state business processes) would like to be seen as an integrated and mutually supportive system within and across state and local offices. It is desired that the Project participants view this system as a whole, not just either state or local, and should consider the overall quality of end-to-end service delivery to the consumer.

This discussion reconfirmed that interfaces with both Child Support Enforcement and Licensing are within scope of the project and that business processes of these program areas are not within scope. A question arose as to whether “Other Needs Assistance” (ONA) is within scope.

**To whom and in what way is the Virginia state and local social services delivery system accountable?**

The service delivery system is accountable for staying within the law while carrying out its social contract with the residents of Virginia that are served (about a third of residents). (It should be noted that for Child Support cases, up to one-third of cases [100,000] represent out of state or international residents.)

The elements of a social contract were discussed, including equity (fairness); making sure people know what they are entitled to; adequacy of services relative to need; and timeliness.

The facilitator suggested that these elements of the social contract could be summed up in a single concept:

- ***RESPECT***

To assure that the social contract is consistently honored, respect for the consumer, provider and payer will be the cornerstone of the reengineering effort.

**Are there consequences if the required level of accountability is not achieved?**

VSSS functions in the midst of rigid federal regulations, while the Community has expectations of flexibility and responsiveness. Therefore, there are both federal regulatory and public perception consequences.

**In what way should the BPR Steering Committee define measurable business objectives?**

Prior to discussing measurable business objectives, the facilitator provided descriptive information to provide an understanding of each business objective area.

**Good Processes**

“Good” processes are designed to:

- *Simplify rather than create complexity.*
- *Eliminate duplication in tasks and activities.*
- *Eliminate redundancy in handling of information and paper.*
- *Eliminate errors in work.*
- *Allow ever-evolving changes to the work product within existing work processes.*
- *Add value to the work product.*

**Near Optimum Performance**

Near “optimum” performance:

- *Eliminates delays in service delivery.*
- *Assures cycle times that match or nearly match workload.*

**Good Use of Information**

“Good” information is defined as:

- *Serving a Purpose.*
- *Meeting the Business Objective.*
- *Complete*
- *Timely*
- *Accurate*
- *Available to those with a “need to know”.*
- *Secure from those with “no need to know”.*
- *Producing the expected result.*
- *Having a cost commensurate with its value.*

**Expected Results and Outcomes**

“Expected” results and outcomes:

- *Meet the public’s intent.*
- *Meet the public’s expectation.*

### ***Effectively Managed Cost***

As public fiduciaries, “effectively managed” cost:

- *Avoids paying twice for one output or one work unit*
- *Assures cost is incurred for only value-added activities*
- *Assures cost is commensurate with public value*

### ***Achieving Desired Public Perception***

“Desired” public perception demonstrates:

- *Confidence that the Department performs in the community’s best interest*
- *The Department’s services have the value the public intended*
- *Trust that the cost is commensurate with that value*

During this discussion, the facilitator reinforced for the BPR Steering Committee that the business process reengineering effort does not delve into areas of program policy or services to the public. The exception to this rule would occur if a specific rules surrounding program policy dictate a business process in the current environment that is non-value adding in today’s information rich world.

It was established that the process reengineering effort will focus on changing how people perform activities, tasks and steps and how they apply tools (some of which may be enabling technology tools) to create more effective business processes. The business process reengineering effort will assure that all activities, tasks and steps add to the quality of the desired end product, given modern methods of operation.

### **Overall, the BPR Steering Committee was asked what might constitute ultimate success.**

The discussion produced the following observations:

- Processes should be cost-effective relative to the value of the program they support. The service delivery system should not spend \$100 to distribute \$10 in benefits.
- The 80/20 Rule should be applied. Instead of 30 unique processes, one common process should support 80% of the casework for a given family/client.

### **The BPR Steering Committee established Project business objectives.**

The facilitator asked the BPR Steering Committee to define at least three to five measurable business objectives for each critical component. The facilitator encouraged

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the Steering Committee to state objectives in a way that will allow the department to measure success.

The BPR Project Steering Committee was advised that, once in final form, the business objectives set below will be used at each stage of the VSSS BPR Project to test whether the Project is on track and to assure that the Project is delivering against the VSSS expectations.

### ***Good Business Processes***

Overarching guidance statements include the following expectations of redesigned processes:

- Designed to contribute to a reduction of work errors to 2% or less.
- Support adaptability to readily accommodate changes in the rules.
- Designed to support timeliness business objectives.
- Eliminate process redundancy within and across programs.
- Demonstrate transition from reactive form of service delivery to Advocacy form of service delivery.
- Exclude unnecessary activities, tasks and steps.

The following business objectives were established for business processes:

1. New processes must be measurable so baselines can be established for future improvements.
2. Processes must be simple, resulting in reduced training time to achieve competency.
3. Must be designed to reduce need for level of supervisory review in today's processes.
4. Reduce staff turnover that is currently based on frustration with process.
5. Redesigned process must allow establishment of skill requirements for consumer needs analysis.

### ***Near Optimum Performance/Timeliness***

The BPR Project Steering Committee suggested that associating Optimum Performance with Timeliness could lead to poorer services in programs where the consumer might benefit from more intense service, such as in job placement. This caveat is given to assure that the BPR Team does not consider all service delivery objectives equal.

1. In all programs/services, performance must be demonstrated by immediate responsiveness at the first contact with the consumer.
2. Performance measures must be recommended that are commensurate with the value/benefits of the service to the consumer.
3. Targets must be set for information gathering timeframes that are as short as redesigned processes might allow – e.g., same day.
4. In benefit delivery: VSSS timeliness defined as a maximum of “Within seven days of receipt of last information.”



5. More desirable: within 24 hours if all information is available.
6. Family services: timeliness is 100% in compliance with PIP, with the ability to exceed PIP based as feasible.
7. Payments to providers: to meet state standards of maximum 30 days.

### ***Good Use of Information/Technology***

Guidance statements on good use of information were provided:

- Information is available, as provided by law and/or as constrained by bona fide ethical and legal criteria.
- Consider methods to allow the customer to own their own information.

The following business objectives were established:

1. All information exchanged with the consumer in their language.
2. One set of verifications is sufficient for delivery of any service, and verification is asked for only one time.
3. Information is appropriately secure.
4. Information is readily available to anyone with a need to know.
5. Generally, information not required by law is not requested and stored; except, identify opportunities that might enhance service delivery to the consumer if more information is known during contact.
6. Technology should not constrain reengineering recommendations; and, modern enabling tools may permit more aggressive process redesign.

### ***Delivering Expected Results/Outcomes***

Overall guidance was provided by the statement: All processes contribute directly to a specific outcome; a business process does not hinder the outcome. Business objectives are as follows:

1. The “collection of services” is “built” to explore a full range of services for the individual or family.
2. Customers are left with the feeling that they have been evaluated for all possible services and benefits.
3. Customer satisfaction can be measured.
4. Ability must be provided for ongoing re-evaluation of the mechanisms that are supposed to lead to self-sufficiency. The ability must be in place to measure what works or does not, and make early adjustments wherever needed.

### ***Effectively Managed Cost***

BPR business objectives for effectively managing cost include:

1. To the extent possible, costs should be net-zero in State and local dollars over the long-term.

2. Short-term cost shifts should not constrain redesign.
3. Resources can be redeployed to accomplish the reengineered business model.
4. The ratio of administrative to services expenditures is improved.

***Desired Public Perception***

The following are business objectives related to changed public perception:

1. The community broadly perceives that the VSSS delivers excellent service.
2. A greater level of support is provided by the Legislature.
3. Less staff/administrative time is spent on negative interactions.
4. The community believes that VSSS demonstrates stewardship over resources – the public believes that it is getting a good return on invested tax dollars.

**Ranking Business Objective Areas from Greatest to Least Strategic Importance**

It is valuable for the BPR Team to know the level of importance placed on the business objective areas by the Steering Committee. The top three areas of critical importance by ranking are:

- Process
- Performance
- Results/Outcomes

**Summary of Executive Level Direction to BPR Team**

Committee members representing local agencies provided the following direction to the BPR Team.

- The redesign should afford the same “look and feel” to consumers from office to office.
- Do not be constrained by existing parameters or doctrine in the current system.
- Use creativity and innovation in your redesign.
- Don’t let these business objectives constrain the Team’s recommendations, if something just makes good sense...the Steering Committee would prefer to “reign in” at the end if needed than lose any good ideas.